

Estimated Hearing Date: June 6, 2018 at 9:30 a.m. (AST)

Objection Deadline: May 9, 2018 at 4:00 p.m. (AST)

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO,

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**NOTICE OF ANDREW WOLFE'S SECOND INTERIM APPLICATION  
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF  
EXPENSES INCURRED AS MACROECONOMIC CONSULTANT TO FINANCIAL  
OVERSIGHT AND MANAGEMENT BOARD, AS REPRESENTATIVE OF  
THE DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018**

PLEASE TAKE NOTICE that a hearing will be held before the Honorable Laura Taylor Swain in Room 3 of the United States District Court for the District of Puerto Rico, Federal Building, Office 150, 150 Carlos Chardón Street, San Juan, Puerto Rico 00918-1767, on June 6, 2018 at 9:30 a.m. (AST), or as soon thereafter as counsel may be heard, or at an earlier date as ordered by the Court, to consider Andrew Wolfe's second interim application for allowance of compensation for services rendered from October 1, 2017 through January 31, 2018 in the amount of \$100,000 and reimbursement of actual and necessary expenses incurred during such period in the amount of \$12,391.30, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1.

PLEASE TAKE FURTHER NOTICE that objections to the application, if any, must be in writing, and filed with the Court and served on applicant's undersigned counsel so as to be received prior to May 9, 2018 at 4:00 p.m. (AST).

Dated: March 16, 2018

Respectfully submitted,

/s/ Andrew Wolfe  
Andrew Wolfe

*Macroeconomic Consultant to Financial  
Oversight and Management Board*

By: /s/ Jeffrey Chubak  
Jeffrey Chubak  
STORCH AMINI PC  
140 East 45<sup>th</sup> Street, 25<sup>th</sup> Floor  
New York, New York 10017  
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*Attorneys for Andrew Wolfe*

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

In re:

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**SUMMARY SHEET**

**ANDREW WOLFE'S SECOND INTERIM APPLICATION  
FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF  
EXPENSES INCURRED AS MACROECONOMIC CONSULTANT TO FINANCIAL  
OVERSIGHT AND MANAGEMENT BOARD, AS REPRESENTATIVE OF  
THE DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018**

Applicant:	Andrew Wolfe
Authorized to provide services to:	Financial Oversight and Management Board, as Representative of the Debtors, pursuant to PROMESA section 315(b)
Effective date of retention:	August 1, 2017
Compensation period:	October 1, 2017-January 31, 2018
Compensation sought:	\$100,000
Expense reimbursement sought:	\$12,391.30
Total sought:	\$112,391.30
Compensation sought herein that has already been paid under Interim Compensation Order	\$0
Expenses sought herein that have already been paid under Interim Compensation Order	\$0
This is a: <input type="checkbox"/> monthly <input checked="" type="checkbox"/> interim <input type="checkbox"/> final application	

**SUMMARY OF TIME BILLED DURING COMPENSATION PERIOD**

<b>Name</b>	<b>Title</b>	<b>Hours Recorded</b>	<b>Hourly Rate</b>	<b>Total Fees</b>
Andrew Wolfe	Macroeconomic Consultant	690	N/A <sup>1</sup>	\$100,000

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<sup>1</sup> Under his agreement, Andrew Wolfe is entitled to \$25,000/month, provided he “devote[s] at least half of the month’s normal business hours to services for the Board for the term of this Project Assignment,” plus reimbursement of expenses.

**UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO**

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THE COMMONWEALTH OF PUERTO  
RICO, et al.,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**ANDREW WOLFE’S SECOND INTERIM APPLICATION FOR  
ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF  
EXPENSES INCURRED AS CONSULTANT TO FINANCIAL OVERSIGHT  
AND MANAGEMENT BOARD, AS REPRESENTATIVE OF THE  
DEBTORS, FROM OCTOBER 1, 2017-JANUARY 31, 2018**

Andrew Wolfe, a macroeconomic consultant to the Financial Oversight and Management Board for Puerto Rico (“Oversight Board”), as representative of the Debtors pursuant to PROMESA section 315(b), submits his second interim application for allowance of compensation for services rendered from October 1, 2017 through January 31, 2018 (“Compensation Period”) in the amount of \$100,000 and reimbursement of actual and necessary expenses incurred in the amount of \$12,391.30, pursuant to PROMESA sections 316-17, Rule 2016, and Local Rule 2016-1, and respectfully states:

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<sup>1</sup> The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID numbers, are: (i) Commonwealth of Puerto Rico (“Commonwealth”) (3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (3747).

### **JURISDICTION**

1. This Court has subject matter jurisdiction to consider this application, pursuant to PROMESA section 306(a). Venue is proper in this district, pursuant to PROMESA section 307(a).

### **BACKGROUND**

2. The Commonwealth commenced its Title III case on May 3, 2017; COFINA commenced its Title III case on May 5, 2017; HTA and ERS commenced their Title III cases on May 21, 2017; and PREPA commenced its Title III case on July 2, 2017. Pursuant to PROMESA section 315(b), the Oversight Board is the representative of each Debtor in its respective Title III case.

3. The Oversight Board engaged Mr. Wolfe as an independent contractor to provide macroeconomic consulting services in these Title III cases by Agreement, effective August 1, 2017, a copy of which is annexed hereto as Exhibit 1. Under the agreement, he is entitled to compensation of \$25,000/month (subject to a \$275,000 cap), provided he “devote[s] at least half of the month’s normal business hours to services for the Board for the term of this Project Assignment,” plus reimbursement of expenses.

4. On January 17, 2018, Mr. Wolfe filed his first interim fee application, covering the period August 1, 2017 through September 30, 2017 [ECF No. 2259]. The hearing on that application was deferred on consent [ECF No. 2645, p.18] to April 25, 2018.

5. As noted in Mr. Wolfe’s first interim fee application, Mr. Wolfe was engaged as a macroeconomic consultant for the purpose of advising the Oversight Board on mediation matters concerning the Debtors and consulting on the Debtors’ fiscal plan and debt sustainability issues. Prior to his retirement in 2014, Mr. Wolfe was senior manager of the Western Hemisphere Department at the International Monetary Fund for 27 years. Mr. Wolfe is presently an adjunct

professorial lecturer at American University in Washington, D.C. and Rice University in Houston, Texas. He holds a Ph.D. in economics from the University of Wisconsin and a B.S.E. in economics and engineering from the University of Pennsylvania.

6. Mr. Wolfe served monthly fee statements on the relevant notice parties, pursuant to the First Amended Interim Compensation Order, entered November 8, 2017 [ECF No. 1715] (“Interim Compensation Order”), for the Compensation Period covered by this application, but has not received payment to date.

### **BASIS FOR RELIEF REQUESTED**

7. PROMESA section 316(a) provides that this Court “may award to a professional person employed by ... the Oversight Board (in the Oversight Board’s sole discretion) ... (1) reasonable compensation for actual, necessary services rendered by the professional, or attorney and by any paraprofessional employed by any such person; and (2) reimbursement for actual, necessary expenses.”

8. Pursuant to subdivision (c):

In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, the extent, and the value of such services, taking into account all relevant factors, including—

- (1) the time spent on such services;
- (2) the rates charged for such services;
- (3) whether the services were necessary to the administration of, or beneficial at the time at which the service was rendered toward the completion of, a case under this chapter;
- (4) whether the services were performed within a reasonable amount of time commensurate with the complexity, importance, and nature of the problem, issue, or task addressed;

(5) with respect to a professional person, whether the person is board certified or otherwise has demonstrated skill and experience in the restructuring field; and

(6) whether the compensation is reasonable based on the customary compensation charged by comparably skilled practitioners in cases other than cases under this title or title 11, United States Code.

9. PROMESA section 317 and the Interim Compensation Order permit professionals to apply for allowance of compensation and reimbursement of expenses on an interim basis.

10. Each factor set forth in section 316(c) supports allowance of the compensation sought herein on an interim basis.

(a) Time spent on services rendered. Mr. Wolfe expended 690 hours rendering services on behalf of the Oversight Board during the Compensation Period. Time detail for the Compensation Period is annexed hereto as Exhibit 2.

(b) Rates charged. As set forth in the Wolfe Certification (defined below), the compensation sought is billed at rates no less favorable than those customarily employed by him.

(c) Whether Services were necessary or beneficial. The services rendered were necessary to the administration of these Title III cases, and beneficial when rendered. The Oversight Board hired Mr. Wolfe for the express purpose of providing these services and has approved this application.

(d) Timeliness of services rendered. The services rendered were performed within a reasonable amount of time, given their complexity and importance to these Title III cases.

(e) Professional certifications; Restructuring Experience. As noted above, in addition to holding a Ph.D. in economics, Mr. Wolfe has decades of experience at the IMF, and



the macroeconomic expertise sought by the Oversight Board and necessary to the success of these cases.

11. During the Compensation Period, Mr. Wolfe incurred reasonable and necessary expenses in connection with his engagement. A detailed itemization is annexed hereto as Exhibit 3. Mr. Wolfe has endeavored to minimize expenses incurred in connection with this engagement, and submits that those expenses for which reimbursement is sought are reasonable and justified under the circumstances to effectively serve the needs of the Oversight Board herein.

12. The certification required by Local Rule 2016-1(a)(4) and Rule 2016 is annexed hereto as Exhibit 4 ("Wolfe Certification").

### **NOTICE**

13. Notice hereof has been served upon the following:

Fee Examiner  
bwilliam@gklaw.com  
kstadler@gklaw.com  
adalton@gklaw.com

Fiscal Agency and Financial Advisory Authority  
jrapisardi@omm.com  
suhland@omm.com  
dperez@omm.com

Official Committee of Unsecured Creditors  
lucdespins@paulhastings.com  
andrewtenzer@paulhastings.com  
michaelcomerford@paulhastings.com  
alexbongartz@paulhastings.com

Official Committee of Retired Employees  
rgordon@jenner.com  
rlevin@jenner.com  
csteege@jenner.com  
mroot@jenner.com

Financial Oversight and Management Board  
arthur.gonzalez@nyu.edu

Office of the United States Trustee  
guy.gebhardt@usdoj.gov

WHEREFORE, Mr. Wolfe requests an order allowing interim compensation for services rendered during the Compensation Period in the amount of \$100,000 and reimbursement for actual and necessary expenses incurred during such period in the amount of \$12,391.30, directing payment of the foregoing amounts less that portion already paid under the Interim Compensation Order, and granting such other and further relief as this Court deems just and proper.

Dated: March 16, 2018

Respectfully submitted,

/s/ Andrew Wolfe  
Andrew Wolfe

*Macroeconomic Consultant to Financial  
Oversight and Management Board*

By: /s/ Jeffrey Chubak  
Jeffrey Chubak  
STORCH AMINI PC  
140 East 45<sup>th</sup> Street, 25<sup>th</sup> Floor  
New York, New York 10017  
(212) 490-4100  
jchubak@storchamini.com

*Attorneys for Andrew Wolfe*

**EXHIBIT 1**

**Contract**

**EXHIBIT 2**

**Time Detail**

**EXHIBIT 3**

**Expense Itemization**

**EXHIBIT 4**

**Certification of Andrew Wolfe**

**UNITED STATES DISTRICT COURT  
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PROMESA

Title III

No. 17-bk-3283-LTS

(Jointly Administered)

**CERTIFICATION OF ANDREW WOLFE**

I, Andrew Wolfe, hereby certify:

1. I am a macroeconomic consultant to the Financial Oversight and Management Board for Puerto Rico, as representative of the Debtors in these Title III cases, and submit this certification in support of my second interim fee application, covering the compensation period October 1, 2017 through January 31, 2018.

2. Pursuant to Local Rule 2016-1, I certify that:

(a) I have read the application;

(b) to the best of my knowledge, information and belief formed after reasonable inquiry, the fees and disbursements sought therein conform with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the United States Trustee Guidelines, and the Local Rules; and

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<sup>1</sup> The Debtors in these Title III Cases, along with the last four digits of their respective Federal Tax ID number, are: (i) Commonwealth of Puerto Rico (3481); (ii) Puerto Rico Sales Tax Financing Corporation (8474); (iii) Puerto Rico Highways and Transportation Authority (3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (9686); and (v) Puerto Rico Electric Power Authority (3747).

(c) the compensation and disbursements sought are billed at rates no less favorable than those customarily employed by me.

3. Pursuant to Rule 2016(a), no agreement or understanding exists between me and any other person for sharing compensation to be received in connection with this engagement, except as authorized by the Bankruptcy Code or Rules.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on March 16, 2018.

/s/ Andrew Wolfe